

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY



W-02316A
Crystal Water Company
P.O. Box 2903
Sierra Vista AZ 856360000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE

Ann04	03
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COMPANY INFORMATION

Company Name (Business Name) CRYSTAL water co

Mailing Address P.O. Box 2903
(Street)
Sierra Vista AZ 85636-2903
(City) (State) (Zip)

(520) 378 3349 (520) 378 6549 (520) 220 0515
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address wdps@eriz.com

Local Office Mailing Address SAA
(Street)
SAA (City) (State) (Zip)

SAA (City) (State) (Zip)

Local Office Telephone No. (Include Area Code) SAA **Fax No. (Include Area Code)** SAA **Pager/Cell No. (Include Area Code)** SAA

Email Address SAA

MANAGEMENT INFORMATION

Management Contact: JOHNNY A McLAIN owner
(Name) (Title)

SAA (Street) (City) (State) (Zip)

SAA (Street) (City) (State) (Zip)

SAA Telephone No. (Include Area Code) SAA Fax No. (Include Area Code) SAA Pager/Cell No. (Include Area Code)

Email Address SAA

On Site Manager: JOHNNY A McLAIN
(Name)

SAA (Street) (City) (State) (Zip)

SAA (Street) (City) (State) (Zip)

SAA Telephone No. (Include Area Code) SAA Fax No. (Include Area Code) SAA Pager/Cell No. (Include Area Code)

Email Address SAA

Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Johnny A McLean
 (Name)

7110 S. SAXEL RD HEREFORD AZ 85615
 (Street) (City) (State) (Zip)

(520) 378 3349 (520) 378 6549 (520) 720 0515
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: _____
 (Name)

 (Street) (City) (State) (Zip)

 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- Sole Proprietor (S)
- Partnership (P)
- Bankruptcy (B)
- Receivership (R)
- Other (Describe) _____
- C Corporation (C) (Other than Association/Co-op)
- Subchapter S Corporation (Z)
- Association/Co op (A)
- Limited Liability Company

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- APACHE
- GILA
- LA PAZ
- NAVAJO
- SANTA CRUZ
- STATEWIDE
- COCHISE
- GRAHAM
- MARICOPA
- PIMA
- YAVAPAI
- COCONINO
- GREENLEE
- MOHAVE
- PINAL
- YUMA

COMPANY NAME

City of Worcester

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	5000	0	5000
302	Franchises	4500	0	4500
303	Land and Land Rights	3500	2700	800
304	Structures and Improvements	5500	3453	2047
307	Wells and Springs	6000	5400	600
311	Pumping Equipment	20500	9373	11127
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	9500	5735	3765
331	REPAIRS - 8pc Transmission and Distribution Mains	59605	37020	22585
333	Services 2x150=300	7625	4781	2844
334	Meters and Meter Installations 2x150	8520	3855	4665
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	3970	2464	1504
340	Office Furniture and Equipment	600	506	94
341	Transportation Equipment	10200	5205	4995
343	Tools, Shop and Garage Equipment	1350	1112	238
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	1000	590	410
346	Communication Equipment + 700	3310	1050	2260
347	Miscellaneous Equipment	150	120	30
348	Other Tangible Plant	0	0	0
	TOTALS	150836	43366	67470

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

City Steel Erectors Co

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	5000	0	0
302	Franchises	4500	0	0
303	Land and Land Rights	3500	5%	175
304	Structures and Improvements	5500	5%	275
307	Wells and Springs	6000		300
311	Pumping Equipment	20500		1025
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	9500		475
331	Transmission and Distribution Mains	59800		2990
333	Services $2 \times 150 = 300$	7625		381
334	Meters and Meter Installations $2 \times 150 = 300$	8520		426
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	3970		199
340	Office Furniture and Equipment	600		30
341	Transportation Equipment	10200		510
343	Tools, Shop and Garage Equipment	1350		68
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	1000		50
346	Communication Equipment	3316		166
347	Miscellaneous Equipment	150		8
348	Other Tangible Plant	0		0
	TOTALS	150836		8635

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

Capital Water Co

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
CURRENT AND ACCRUED ASSETS			
131	Cash	\$ 50	\$ 175
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	350	215
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 400	\$ 390
FIXED ASSETS			
101	Utility Plant in Service	\$ 148736	\$ 150836
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation – Utility Plant	76273	83366
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	TOTAL FIXED ASSETS	\$ 72463	\$ 67470
	TOTAL ASSETS	\$ 72863	\$ 67860

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

DAY STAL WATER CO

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
LIABILITIES			
CURRENT LIABILITIES			
231	Accounts Payable	\$ 10707	\$ 0
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	2207	2350
236	Accrued Taxes NOT PAID	42700	47700 End
237	Accrued Interest " "	5232	6366 End
241	Miscellaneous Current and Accrued Liabilities	15751	0
	TOTAL CURRENT LIABILITIES	\$ 79597	\$ 56416
LONG-TERM DEBT (Over 12 Months)			
224	Long-Term Notes and Bonds	\$ 0	\$ 0
DEFERRED CREDITS			
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 79597	\$ 56416
CAPITAL ACCOUNTS			
201	Common Stock Issued	\$ 0	\$ 0
211	Paid in Capital in Excess of Par Value	0	0
215	Retained Earnings	0	0
218	Proprietary Capital (Sole Props and Partnerships)	(6734)	(11444)
	TOTAL CAPITAL	\$ 6734	\$ 11444
	TOTAL LIABILITIES AND CAPITAL	\$ 72863	\$ 67860

COMPANY NAME

(CRYSTAL WATER) CO

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 17298	\$ 17385
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	0	0
	TOTAL REVENUES	\$ 17298	\$ 17385
	OPERATING EXPENSES		
601	Salaries and Wages <i>See (630)</i>	\$ 495	\$ 500 <i>See (630)</i>
610	Purchased Water	0	0
615	Purchased Power	600	1535
618	Chemicals	300	350
620	Repairs and Maintenance <i>575 PER TANK 329+425</i>	2750	3399
621	Office Supplies and Expense	<i>See (630)</i>	<i>See (630)</i>
630	Outside Services	8500	15000
635	Water Testing	995	1050
641	Rents	<i>See (630)</i>	<i>See (630)</i>
650	Transportation Expenses	<i>See (630)</i>	<i>See (630)</i>
657	Insurance - General Liability	500	2120
659	Insurance - Health and Life	900	573
666	Regulatory Commission Expense - Rate Case	0	0
675	Miscellaneous Expense	0	0
403	Depreciation Expense	6956	8635
408	Taxes Other Than Income <i>NOT PAID</i>	0	0
408.11	Property Taxes <i>11 15 EST</i>	3000	<i>EST</i> 25768
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$ 26586	\$ 58930
	OPERATING INCOME/(LOSS)	\$ (9288)	\$ (4545)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	0	0
	TOTAL OTHER INCOME/(EXPENSE)	\$ 0	\$ 0
	NET INCOME/(LOSS)	\$ (9288)	\$ (4545)

COMPANY NAME Crystal Water Co

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 2300

Meter Deposits Refunded During the Test Year \$ 100

COMPANY NAME

Crystal Water Co

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55						
801770 <i>MY</i>	25	300	450	8	3"	
807774 <i>OR</i>	5	30	200	6	2"	

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
MUSTANG 55-801770	300	NA

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
N/A		NA	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
NA		7000	1
		3500	1

COMPANY NAME *Crystal Water Co*

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	<i>PVC</i>	<i>17880</i>
3		
4	<i>PVC</i>	<i>5005</i>
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
<i>5/8 X 3/4</i>	<i>56</i>
<i>3/4</i>	
<i>1</i>	<i>3</i>
<i>1 1/2</i>	
<i>2</i>	
<i>Comp. 3</i>	
<i>Turbo 3</i>	
<i>Comp. 4</i>	
<i>Tubo 4</i>	
<i>Comp. 6</i>	
<i>Tubo 6</i>	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

NA

STRUCTURES:

NA

OTHER:

*Two water ONE off Line since 1983
And 7 empty*

COMPANY NAME: Crystal Water Co

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	53	219020	219
FEBRUARY	53	309545	309
MARCH	53	170050	170
APRIL	52	2116320	2116
MAY	53	1150900	1150
JUNE	51	1130090	1130
JULY	52	1331420	1331
AUGUST	53	1385460	1385
SEPTEMBER	53	704550	704
OCTOBER	53	952930	952
NOVEMBER	54	995000	995
DECEMBER	54	844250	844
TOTAL		N/A	11305

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (X) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. 1005 mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Crytal Cater Co YEAR ENDING 12/31/2003

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. INCOME NOT ADEQUATE

COMPANY NAME Cryptofiberwater @

YEAR ENDING 12/31/2003

INCOME TAXES

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REGISTRATION CORPORATION COMMISSION
DIRECTOR OF UTILITIES

For this reporting period, provide the following:

Federal Taxable Income Reported _____
Estimated or Actual Federal Tax Liability -C

State Taxable Income Reported _____
Estimated or Actual State Tax Liability -C

Amount of Grossed-Up Contributions/Advances: _____

Amount of Contributions/Advances 2

Amount of Gross-Up Tax Collected -C

Total Grossed-Up Contributions/Advances -C

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

[Signature]
SIGNATURE

12-31-03
DATE

HANNY A McLAIR
PRINTED NAME

controller
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

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ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF AZ

COUNTY OF (COUNTY NAME) <u>Cochise</u>
NAME (OWNER OR OFFICIAL) TITLE <u>JOHNNY A McLEAN</u>
COMPANY NAME <u>CRYSTAL WATER CO</u>

I, THE UNDERSIGNED
OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$) \$ <u>17385</u>
--

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 995
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Johnny A McLean
SIGNATURE OF OWNER OR OFFICIAL

(520) 378 3349
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



OFFICIAL SEAL
LYNN A. WISE
Notary Public
State of Arizona
(SEAL) NOTARY
COMMISSION EXPIRES DEC 28, 2004

DAY OF

COUNTY NAME <u>Cochise</u>
MONTH <u>March</u> YEAR <u>2004</u>

Lynn A. Wise
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 12-28-2004

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

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APR 19 2004

VERIFICATION

**ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES**

STATE OF ARIZONA

1 (COUNTY NAME) <u>COCHISE</u>	
NAME (OWNER OR OFFICIAL) <u>JOHANNY A McLAUGHLIN</u>	TITLE <u>OWNER</u>
COMPANY NAME <u>CRYSTAL WATER CO</u>	

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>17385</u>

(THE AMOUNT IN BOX AT LEFT INCLUDES \$ 995 IN SALES TAXES BILLED, OR COLLECTED)

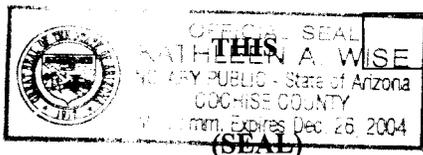
*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.

J. A. McLaughlin

SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



THIS 12 DAY OF

NOTARY PUBLIC NAME <u>Kathleen A. Wise</u>	
COUNTY NAME <u>Cochise</u>	
MONTH <u>March</u>	2004

MY COMMISSION EXPIRES 12-26-2004

Kathleen A. Wise

SIGNATURE OF NOTARY PUBLIC